

RESOLUTION NO. 20-06

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING THE ISSUANCE OF A TAX-EXEMPT AND/OR TAXABLE OBLIGATION IN AN AMOUNT NOT TO EXCEED \$30,000,000 TO PROVIDE FINANCIAL ASSISTANCE FOR AN ELIGIBLE PROJECT FOR THE BENEFIT OF ROESSLER-CHADWICK FOUNDATION GROUP, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION, PROVIDING THE TERMS AND CONDITIONS FOR SAID TAX-EXEMPT AND/OR TAXABLE OBLIGATION AND OTHER MATTERS RELATING THERETO AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS ASSOCIATED THEREWITH

WHEREAS, the California Infrastructure and Economic Development Bank (“IBank”) is duly organized and existing pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 and following) as now in effect and as it may be amended or supplemented (the “Act”); and

WHEREAS, IBank is authorized under provisions of the Act to issue tax-exempt and taxable obligations to provide financing and refinancing for eligible projects located in the State of California; and

WHEREAS, IBank, The Roessler-Chadwick Foundation Group, a California nonprofit public benefit corporation (the “Borrower”), and First Republic Bank, a California state-chartered banking corporation (the “Lender”) previously entered into that certain Loan Agreement, dated as of December 1, 2017 (the “Prior Obligation”);

WHEREAS, Borrower has submitted an application (the “Application”) to IBank for assistance to (a) refinance the Prior Obligation, the proceeds of which were used to finance or refinance the cost of (i) construction and equipping of a new Middle School building housing classrooms, faculty offices and studios for art and ceramics, (ii) construction and equipping of a new performing arts center, (iii) construction and equipping of a parking garage, (iv) renovation and expansion of an outdoor school amphitheater, (v) acquisition and installation of air-conditioning to serve Roessler Hall, (vi) construction and completion of alternate means or route of access to and from the campus, (vii) construction, renovation and completion of additional and expanded classroom facilities and expanded use of perimeter areas and (viii) other capital projects for improvements and technology upgrade of the Borrower’s school campus located at 26800 South Academy Drive, Palos Verdes Peninsula, California 90274 (the “Campus”) and other related and appurtenant facilities and infrastructure at the Campus; (b) finance the cost of the construction, installation, renovation, rehabilitation, improvement and equipping of the Improvements, including, but not limited to, improvements and renovations to Roessler Hall including, but not limited to, ADA access and seismic upgrades, (ii) the construction, installation, equipping, furnishing and equipping of a 14-unit faculty housing facility, (iii) the construction and installation of an aquatics center, (iv) the construction, equipping, furnishing and improvement of a 6,000 square foot Center for Innovation and Research including classrooms, (v) the acquisition and installation of solar panels and campus lighting, (vi) the renovation, equipping and improvement

of existing faculty housing facilities, (vii) the improvement of a baseball field, (viii) the construction of a wellness center, (ix) renovations to a weight room, (x) other routine capital expenditures included in the Borrower's capital budget over the next three years and (xi) other related and appurtenant facilities and infrastructure located on the Borrower's Campus; and (c) pay certain costs of issuing the Obligation (defined below) (collectively, the "Project).

WHEREAS, for these purposes, the Borrower has requested IBank to (a) authorize the issuance and delivery of a tax-exempt and/or taxable obligation to Lender, pursuant to the terms set forth in **Exhibit 1** (the "Term Sheet") attached hereto (the "Obligation"); (b) loan the proceeds of the Obligation to the Borrower pursuant to a Loan Agreement to undertake the Project (the "Borrower Loan"); (c) provide for the payment of the principal of, premium, if any, and interest on the Obligation with revenues derived from the Borrower's payment of the Borrower Loan; and (d) take and authorize certain other actions in connection with the foregoing (collectively, the "Transaction"); and

WHEREAS, consistent with IBank's policies, the requirement for credit rating by rating agencies may be waived by IBank for IBank obligations (such as the Obligation) that are privately placed in a limited offering or sold in a limited offering directly to investors that are qualified institutional buyers within the meaning of S.E.C. Rule 144A, or equivalent sophisticated investors with a demonstrated understanding of the risks associated with the municipal market, and acceptable to IBank (collectively, "Sophisticated Investors"), provided that IBank's conditions for such transactions are met; and

WHEREAS, because the Transaction provides for the Obligation to be placed directly with Sophisticated Investors in accordance with IBank policy requirements, the Transaction will not be rated by any rating agency; and

WHEREAS, IBank staff has reviewed the Application from the Borrower and drafts of certain of the documents proposed to be entered into in connection with the Transaction, including a Loan Agreement, an Assignment Agreement and other related documents (collectively, the "Transaction Documents");

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Infrastructure and Economic Development Bank (the "Board"), as follows:

Section 1. The above recitals are true and correct.

Section 2. IBank authorizes and approves the issuance, execution, sale and delivery of the Obligation on terms set forth on the Term Sheet and lending the proceeds of the Obligation to the Borrower in order to finance and refinance the costs of the Project pursuant to terms and provisions as approved by this resolution (this "Resolution").

Section 3. In accordance with IBank's policies on limited offering, direct purchase and private placement to investors that are Sophisticated Investors, IBank hereby waives the requirement for a credit rating in connection with the Transaction.

Section 4. The Executive Director or the Executive Director's assignees, each acting alone (each an "Authorized Representative"), is hereby authorized to execute and deliver the

Transaction Documents. Any Authorized Representative is also authorized to execute and deliver any and all other agreements, certificates and instruments, including, without limitation, a tax regulatory agreement, and other tax forms required by the Internal Revenue Service in connection with the issuance of the Obligation, a no arbitrage certificate, letters of representations, escrow agreements, assignments, certifications of authority and other documents necessary or advisable in connection with the Transaction, which they may deem necessary or desirable to consummate the issuance and delivery of the Obligation, assign security provided by the Borrower with respect to the Borrower Loan to the Lender as security for the Obligation, consummate the Transaction, and otherwise to effectuate the purpose of this Resolution.

Section 5. All actions heretofore taken by the officers and employees of IBank with respect to the approval and issuance of the Obligation and the loan of the proceeds thereof to the Borrower are hereby approved, confirmed and ratified. Any Authorized Representative, is hereby authorized to take actions and execute and deliver any and all documents or certificates which they may deem necessary or desirable in order to (i) consummate the sale, issuance and delivery of the Obligation and the use of the proceeds of the Obligation to fund the Borrower Loan; (ii) effect the financing and refinancing of the Project; (iii) facilitate the Transaction; (iv) pay certain costs of issuance in connection with the issuance of the Obligation, and (v) otherwise effectuate the purposes of this Resolution.

Section 6. Unless extended by IBank, the Board's approval of the Transaction is conditioned upon its closing within one hundred eighty (180) days from the date of the adoption of this Resolution.

Section 7. This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on April 22, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By _____
Scott Wu, Executive Director

Attest:

By _____
Stefan R. Spich, Secretary
of the Board of Directors

Exhibit 1

IBank Term Sheet Roessler-Chadwick Foundation Group Date: April 22, 2020

Par Amount:	Not to exceed \$30,000,000; Tax-Exempt and/or Taxable Obligation.
Type of Offering:	Private Placement.
Lender:	First Republic Bank.
Credit Enhancement and Expected Credit Rating:	None.
Interest:	Fixed rate at 2.95%*.
Maturity:	30 year maturity.
Guarantor:	Roessler-Chadwick Foundation
Collateral:	Lien on all of Borrower's and Roessler-Chadwick Foundation's personal property and a negative pledge on Borrower's real property.
Expected Closing Date:	May 1, 2020*.
Conduit Transaction:	The Obligation is the special, limited obligation of IBank payable solely from payments made by the Borrower under the Transaction Documents, and IBank shall not be directly or indirectly or contingently or morally obligated to use any other moneys or assets of IBank for all or any portion of payment to be made pursuant to the Obligation.

* Please note that the Interest, Maturity and Expected Closing Date are subject to change.